1. **Labor and the American Economy**
   1. **The Growth of Wage Labor**
      1. Farmers
         1. Self-sufficient
      2. Craftspeople
         1. Made their own capital
         2. Controlled the conditions of their work
         3. Worked for people they knew or themselves
      3. **Industrialization Creates Change**
         1. Machines replace farmers
         2. Farmers, craftspeople, farmhands, immigrants work in factories for wages
      4. **Poor Working Conditions**
         1. Low wages
         2. 6 days a week
         3. 12-16 hours a day
         4. Dangerous jobs
   2. **The Rise of Labor Unions**
      1. Workers realize they can sway their employers if they work together
         1. Labor Unions- Workers seeking to improve wages and working conditions and to protect members’ rights
      2. First unions formed in the 1790’s
      3. First important national union was The Noble Order of the Knights of Labor
         1. They tried to bring together the entire working class
         2. Didn’t work out
      4. Collective Bargaining- the process by which representatives of the unions and business try to reach agreement about wages and working conditions
      5. **The Weapons of Labor**
         1. Slowdown
            1. Workers stayed on the job but did their work slowly
         2. Sit-down Strike
            1. Workers stopped working but refused to leave so their employer could not replace them with nonunion workers
         3. Boycott
            1. Workers refuse to buy an employer’s product
         4. Strike
            1. Workers refuse to work unless employers meet certain demands
      6. **The Weapons of Business**
         1. Strikebreakers
            1. Hire nonunion workers (scabs) to replace the striking workers
            2. Often hired private police to protect workers
         2. Lockouts
            1. Management refused to let union members enter factories and replacing them with scabs
         3. “Yellow-Dog Contracts”
            1. Made workers sign a contract promising to not join a union
      7. **Gains and Losses**
         1. Labor unions won important victories by 1920
            1. Workdays were now from 8-10
         2. Federal government established the Department of Labor to protect the rights of workers
   3. **Labor Unions Since 1930**
      1. 1930’s- Government recognized the right of unions to exist and strike
      2. Industrial union gains strength
         1. Includes skilled and unskilled workers
      3. Committee of Industrial Organizations
         1. Formed in 1935
         2. Became the Congress of Industrial Organizations in 1938
      4. Unions Unite
         1. 1955 forming the AFL-CIO
      5. **Labor’s Accomplishment**
         1. Helped get social security, unemployment insurance, and minimum wage
         2. Today only 1 out of 7 workers is a union member
      6. **Common Interests**
         1. Unions and employers agree about certain interests
            1. Safe working conditions
            2. Fair wages
   4. **Today’s Labor Force**
      1. Labor Force- the number of people working at each type of job in the economy
      2. Manufacturing industries
         1. Decline in business
      3. Service Businesses
         1. Up rise in business
         2. Employs a growing majority of Americans
         3. Also called the service sector
      4. Workers face personal and economic change as our country shifts from an industrial economy to a service economy
         1. Workers do not always have training to find new jobs
         2. Locations of industries can be in different parts of the country